Vendor Pay RFI Industry Day
Questions and Answers

GENERAL

1. What are the key criteria in the Business Case to determine if outsourcing is a viable option?

    Answer: The BCA process is broken down into six basic steps:

    -   Appointing the BCA team
    -   Defining the Scope of the Study
    -   Defining the Current Organization
    -   Conducting Market Research
    -   Defining and Analyzing Options
    -   Providing a Recommendation

    The goal of the BCA is to examine the current business process, identify the potential for improved efficiency and cost savings, and provide a recommendation to the DFAS leadership on the best transformation option to pursue. The BCA team includes Vendor Pay functional experts and participants representing competitive sourcing, legal, human resources, acquisition, resource management and the union. The BCA team analyzes each activity performed in Vendor Pay to determine if it is severable or inherently governmental. Each transformation option will be closely examined to outline the strengths, weaknesses, and potential costs/impacts in order to make a sound recommendation to the DFAS leadership on how to best improve Vendor Pay.

2. Will the charts presented in the Industry Day open forum and attendance list be distributed to all attendees?

    Answer: Yes. A DFAS Acquisition Services representative will distribute the attendee list via e-mail. Instructions will be posted to the web at www.dfas.mil regarding requests for copies of the Industry Day briefing charts.

A-76/COMPETITIVE SOURCING:

3. If you decide to do an A-76 competition, will you use the new one-step process where all offers (including the Most Efficient Organization) are evaluated at the same time and the award is made to the best value?

    Answer: DFAS will use whatever A-76 process is mandated for use at the time such a decision is made. If multiple processes are possible, we will chose the one that is in the best interests of the Government.

4. If the Vendor Pay opportunity were to be outsourced, would it be an A-76 action? When would the A-76 action begin?

   Answer: The purpose of this BCA is to study many possible ways of improving the Vendor Pay function. DFAS is in an information-gathering mode. No decision has been made about a possible procurement or means of procurement.

SYSTEMS:

5. For systems that are not DFAS specific, have you identified how the potential service provider will use or interface with those systems?

   Answer: This will be specified if a solicitation is issued. The BCA Team is identifying all interfacing points.

6. What success have you experienced regarding vendor acceptance of the Web Invoicing System (WInS)?

   Answer: WInS' users are quite pleased with the ease and simplicity of the application. Vendors are very satisfied with the improved payment processing times, and the ability to eliminate lost documents and mail time.

7. What is your success to date using document images in Wide Area Workflow for primary research of unmatched invoices?

   Answer: We do not understand the terms "document images" or "unmatched invoices" in regard to the Wide Area Workflow application. Please resubmit the question and provide clarification.

8. What percentage of certification in the ECS system is done with document images versus paper?

   Answer: ECS accounts for less than 1% of the electronic invoices received in STARS One-Pay.

9. What percent of documents in the Electronic Document Access application are travel voucher documents?

   Answer: The Vendor Pay Product Line does not process travel vouchers. This question should be addressed to the Military and Civilian Pay business line.

10. Do all sites image documents or is there some centralization?

   Answer: Documents are **centrally** imaged at Columbus for Vendor Pay operations in Columbus, Dayton, Limestone, and Omaha. In addition, document imaging is used at the Charleston, Orlando and Pensacola Vendor Pay field sites.

11. Is imaging of documents outsourced?

    Answer: No, each site using the Electronic Document Management system uses DFAS resources to image documents.

12. Would DFAS consider keeping the same systems and simply having a contractor operate them, much like the retired and annuitant pay effort?

    Answer: This will be specified if a solicitation is issued.

13. Could the contractor substitute newer technology systems to support the work?

    Answer: This will be specified if a solicitation is issued.

14. Is the government considering a phased approach to include consolidation and then systems modernization?

    Answer: The purpose of this BCA is to study many possible ways of improving the Vendor Pay function. DFAS is in an information-gathering mode. No decision has been made about a possible procurement or means of procurement.

15. What impact does the Financial Modernization Enterprise Architecture (FMEA) have on this initiative should it be outsourced?

    Answer: The Department of Defense (DoD) Financial Management Enterprise Architecture (FMEA) will have to be applied to any/all systems being used today. Individual impacts are to be determined once the architecture is approved.

16. Is it possible that the Business Process Re-engineering work that was done in conjunction with the FMEA project would significantly change the vendor pay process? For example, could one pay without an invoice but just from a receiving report?

    Answer: The Department of Defense (DoD) Financial Management Enterprise Architecture (FMEA) will have to be applied to any/all systems being used today. Individual impacts are to be determined once the architecture is approved.

17. Will the Financial Management Modernization Project (FMMP) process impact the ultimate decision and timing of the "outsourcing" opportunity? If so, how?

    Answer: No, the FMMP process does not impact the ultimate decision or timing of the Vendor Pay Business Case Analysis.

18. Can you describe the type and extent of technology involved in the overall process:

Answer: There are a variety of systems and technology involved. If a solicitation were to be offered at a later date, those details will be provided at that time.

CONSOLIDATION/GEOGRAPHIC CONSIDERATIONS:

19. Must all vendor pay be processed in the existing number of locations? Could processing be done in one location?

    Answer: This will be specified if a solicitation is issued.

20. Could the vendor assume the existing systems and staff, and move the functions to a different set of location(s)?

    Answer: This will be specified if a solicitation is issued.

OTHER:

21. Considering the current RFI for MOCAS Rehost, are there considerations under way to consolidate functions to eliminate redundancies and reduce costs?

    Answer: The purpose of Transformation is to make the Defense Finance and Accounting Service more efficient. All options will be explored.

22. What is the difference between vendor and contract pay?

    Answer: Contract Pay is the product line paying the more complex contracts having multiple funds, multi-years, and more complex terms. Contract Pay product line contracts are administered by the Defense Contract Management Agency. Vendor Pay payments are all the rest of the payments made for DoD.

23. Are e-invoices electronically matched using automated tools? What percentage of invoices are matched without or with minimal human interaction? Can you describe?

    Answer: This would require a more extensive briefing than we are prepared at this time to offer. If a solicitation were to be offered at a later date, that information will be provided.

24. What is the success in using electronic documents (invoices) as opposed to paper?

    Answer: DFAS is experienced in working with all types of invoices submission to include Electronic Document Interchange (EDI), paper and imaged documents. Most systems utilized for entitlement allow for submission both in an electronic (EDI) format and where the Electronic Document Management (EDM) system is available, imaged documents are utilized.

25. Of the approximately 2300 personnel supporting Vendor Pay, how many support the ADP systems including requirement determination and Customer Acceptance Testing?

    Answer: None of the approximately 2300 Vendor Pay personnel support the ADP systems. That support is provided by another business line to the Vendor Pay product line.

26. Are the strategic planning documents currently available on the DFAS Website the most current?

Answer: The Strategic Plan, dated November 2001, is the most current strategic planning document.

27. Have you identified the Transportation Pay processes to the same degree of rigor that you showed on Vendor Pay? Will you provide that to industry at a later date?

    Answer: Yes, we have identified the Transportation Pay processes to the same level as that of the Vendor Pay processes. If a solicitation for Transportation Pay is offered at a later date, that information will be available at that time.

28. Please discuss the meaning of the boxes on the Visio diagram on your Vendor Pay flowcharts.

    Answer: The shape of each box has a specific meaning, to include input, process, and reports. If you request a copy of the briefing given at Industry Day on April 9, 2003, we will include a legend explaining the meaning of each shaped box.

29. Will the Technology Services BCA affect whether ADP is included in the Vendor Pay outsourcing?

    Answer: No. The Vendor Pay Business Case Analysis will consider all Vendor Pay functions. Technology Services is not considered a Vendor Pay function.